

# House File 2791 - Enrolled

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HOUSE FILE 2791

## AN ACT

CONCERNING COMMUNITY FOUNDATIONS AND ECONOMIC DEVELOPMENT  
RELATING TO THE ENDOW IOWA TAX CREDIT, THE ALLOCATION OF  
GAMBLING TAX REVENUES, THE DISTRIBUTION OF COUNTY ENDOWMENT  
MONEYS, MAKING AN APPROPRIATION, AND PROVIDING AN EFFECTIVE  
DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 15E.305, subsection 2, unnumbered  
paragraph 1, Code Supplement 2005, is amended to read as  
follows:

The aggregate amount of tax credits authorized pursuant to  
this section shall not exceed a total of two million dollars  
plus such additional credit amount as provided by this section  
annually. The maximum amount of tax credits granted to a  
taxpayer shall not exceed five percent of the aggregate amount  
of tax credits authorized.

Sec. 2. Section 15E.305, subsection 2, Code Supplement  
2005, is amended by adding the following new unnumbered  
paragraph:

NEW UNNUMBERED PARAGRAPH. For purposes of this subsection,  
the additional credit amount shall be an amount for each  
applicable calendar year determined by the department of  
revenue equal to the amount of money credited as provided by  
section 99F.11, subsection 3, paragraph "e", subparagraph (3),  
for the prior fiscal year.

Sec. 3. Section 15E.305, subsection 4, Code Supplement  
2005, is amended by striking the subsection.

Sec. 4. Section 15E.311, subsection 3, paragraph a, Code  
Supplement 2005, is amended to read as follows:

a. At the end of each fiscal year, moneys in the fund  
shall be transferred into separate accounts within the fund  
and designated for use by each county in which no licensee  
authorized to conduct gambling games under chapter 99F was  
located during that fiscal year. Moneys transferred to county  
accounts shall be divided equally among the counties. Moneys  
transferred into an account for a county shall be transferred  
by the department to an eligible county recipient for that  
county. Of the moneys transferred, an eligible county  
recipient shall distribute seventy-five percent of the moneys  
as grants to charitable organizations for charitable purposes  
in that county and shall retain twenty-five percent of the  
moneys for use in establishing a permanent endowment fund for  
the benefit of charitable organizations for charitable  
purposes. Of the amounts distributed, eligible county  
recipients shall give special consideration to grants for  
projects that include significant vertical infrastructure  
components designed to enhance quality of life aspects within  
local communities. In addition, as a condition of receiving a  
grant, the governing body of a charitable organization  
receiving a grant shall approve all expenditures of grant  
moneys and shall allow a state audit of expenditures of all  
grant moneys.

Sec. 5. Section 15E.311, subsection 6, Code Supplement  
2005, is amended to read as follows:

6. Three percent of the moneys deposited in the county  
endowment fund shall be used by the lead philanthropic  
organization identified by the department pursuant to section  
15E.304 for purposes of administering and marketing the county  
endowment fund. Of the amounts available to be used by the  
lead philanthropic organization pursuant to this subsection,  
seventy thousand dollars is appropriated to the department of  
economic development each fiscal year for administrative costs  
related to the endow Iowa program.

Sec. 6. Section 99F.11, subsection 3, paragraphs d and e,  
Code 2005, are amended to read as follows:

d. ~~One-half~~ Eight-tenths of one percent of the adjusted  
gross receipts ~~tax~~ shall be deposited in the county endowment  
fund created in section 15E.311.

e. Two-tenths of one percent of the adjusted gross

3 4 receipts tax shall be allocated each fiscal year as follows:

3 5 (1) Five hundred twenty thousand dollars is appropriated  
3 6 each fiscal year to the department of cultural affairs with  
3 7 one-half of the moneys allocated for operational support  
3 8 grants and the remaining one-half allocated for the community  
3 9 cultural grants program established under section 303.3.

3 10 (2) One-half of the moneys remaining after the  
3 11 appropriation in subparagraph (1) is appropriated to the  
3 12 community development division of the department of economic  
3 13 development for the purposes of regional tourism marketing.

3 14 However, none of the moneys appropriated under this  
3 15 subparagraph shall be used for administrative purposes.

3 16 (3) One-half of the moneys remaining after the  
3 17 appropriation in subparagraph (1) shall be credited to the  
3 18 general fund of the state for the purpose of funding the endow  
3 19 Iowa tax credit provided in section 15E.305.

3 20 f. The remaining amount of the adjusted gross receipts tax  
3 21 shall be credited to the general fund of the state.

3 22 Sec. 7. 2003 Iowa Acts, 1st Extraordinary Session, chapter  
3 23 2, section 93, is amended to read as follows:

3 24 SEC. 93. The divisions of this Act designated economic  
3 25 development appropriations, workforce-related issues, loan and  
3 26 credit guarantee fund, university-based research utilization  
3 27 program appropriation, ~~endow Iowa tax credit~~, and  
3 28 rehabilitation project tax credits are repealed effective June  
3 29 30, 2010.

3 30 Sec. 8. EFFECTIVE DATE. This Act takes effect July 1,  
3 31 2007.

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4 1 CHRISTOPHER C. RANTS  
4 2 Speaker of the House

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4 6 JEFFREY M. LAMBERTI  
4 7 President of the Senate

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4 10 I hereby certify that this bill originated in the House and  
4 11 is known as House File 2791, Eighty-first General Assembly.

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4 15 MARGARET THOMSON  
4 16 Chief Clerk of the House

4 17 Approved \_\_\_\_\_, 2006

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4 21 THOMAS J. VILSACK  
4 22 Governor